

Sec. 39. Section 9H.5, Code 2009, is amended by adding the following new subsection:

NEW SUBSECTION. 2A. a. A person shall not, after the effective date of this Act, become a member of an authorized unincorporated nonprofit association, that owns or leases agricultural land if the person is also any of the following:

- (1) A stockholder of an authorized farm corporation.
- (2) A beneficiary of an authorized trust.
- (3) A limited partner in a limited partnership which owns or leases agricultural land.
- (4) A member of an authorized limited liability company.
- (5) A member of another authorized unincorporated nonprofit association.

b. A person shall not, after the effective date of this Act, become a stockholder of an authorized farm corporation, a beneficiary of an authorized trust, a limited partner in a limited partnership, or a member of an authorized limited liability company that owns or leases agricultural land, if the person is a member of an authorized unincorporated nonprofit association.

c. This subsection shall not apply to limited partners in a family farm limited partnership.

Sec. 40. Section 9H.5, subsection 3, paragraph a, Code 2009, is amended to read as follows:

a. An authorized farm corporation, authorized trust, authorized limited liability company, ~~or~~ limited partnership, ~~or~~ authorized unincorporated nonprofit association violating this section shall be assessed a civil penalty of not more than twenty-five thousand dollars and shall divest itself of any land held in violation of this section within one year after judgment. A civil penalty of not more than one thousand dollars may be imposed on a person who becomes a stockholder of an authorized farm corporation, beneficiary of an authorized trust, member of an authorized limited liability company, ~~or~~ limited partner in a limited partnership, ~~or~~ member in an authorized unincorporated nonprofit association in violation of this section. The person shall divest the interest held by the person in the corporation, trust, limited liability company, ~~or~~ limited partnership, ~~or~~ authorized unincorporated nonprofit association to comply with this section. The court may determine the method of divesting an interest held by a person found to be in violation of this chapter. A financial gain realized by a person who disposes of an interest held in violation of this chapter shall be forfeited to the state's general fund. All court costs and fees shall be paid by the person holding the interest in violation of this chapter.

Approved April 7, 2010

CHAPTER 1113

CARRYING GUNS IN OR ON VEHICLES ON PUBLIC HIGHWAYS

H.F. 2200

AN ACT relating to the carrying of a gun in or on a vehicle on a public highway and making penalties applicable.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 483A.36, Code Supplement 2009, is amended to read as follows:

483A.36 Manner of conveyance.

~~No~~ A person, except as permitted by law, shall ~~not~~ have or carry a gun in or on a vehicle on a public highway, unless the gun is taken down or totally contained in a securely fastened case, and its barrels and attached magazines are unloaded.

Approved April 7, 2010

CHAPTER 1114**REGULATION OF FINANCIAL INSTITUTIONS AND MORTGAGE LOAN PRACTICES***H.F. 2409*

AN ACT eliminating specified mortgage loan disclosure statement filing requirements applicable to financial institutions.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 535A.1, Code 2009, is amended to read as follows:

535A.1 Definitions.

For purposes of this chapter, unless the context otherwise requires:

1. “*Financial institution*” means any bank, credit union, insurance company, mortgage banking company or savings and loan association, industrial loan company, or like institution or any other person who makes mortgage loans and which operates or has a place of business in this state. “*Financial institution*” does not include an individual who makes less than five mortgage loans a year.

2. “*Mortgage loan*” means a loan for the purchase, construction, improvement, or rehabilitation of residential property containing or to contain four or fewer family dwelling units in which the property is used as security for the loan.

3. ~~“*Mortgage loan disclosure statement*” means the statement required by the federal Home Mortgage Disclosure Act, 12 U.S.C. § 2801 to 2809.~~

4. ~~3.~~ “*Red-lining*” means the practice by which a financial institution may designate certain areas as unsuitable for the making of mortgage loans and reject applications for mortgage loans or vary the terms of a mortgage loan upon property within that area because of the prevailing income, racial, or ethnic characteristics of the area, or because of the age of the structures in the area.

5. ~~“*Reporting financial institution*” means a financial institution which is required to file a mortgage loan disclosure statement.~~

6. ~~4.~~ “*Vary the terms of a mortgage loan*” includes, but is not limited to the following:

a. Requiring a greater than average down payment than is usual for the particular type of mortgage loan involved.

b. Requiring a shorter period of amortization than is usual for the particular type of mortgage loan involved.

c. Charging a higher interest rate or higher loan origination fees than is usual for the particular type of mortgage loan involved.

d. An unreasonable underappraisal of real estate or item of property offered as security.

Sec. 2. Section 535A.2, Code 2009, is amended to read as follows:

535A.2 Discriminatory — real estate mortgages.

1. It is a discriminatory practice for any financial institution accepting mortgage loan applications to engage in the practice of red-lining as defined in section 535A.1.

2. This section shall be administered and enforced by the following agencies:

a. The superintendent of banking or the superintendent’s designee in regard to banks, persons licensed under chapter 536A, and mortgage banking companies.

b. The superintendent of savings and loan associations or the superintendent’s designee in regard to savings and loan associations pursuant to chapter 534.

c. The commissioner of insurance or the commissioner’s designee pursuant to chapter 505 in regard to all insurance companies.

d. The superintendent of credit unions or the superintendent’s designee in regard to all credit unions.

Sec. 3. Section 535A.6, Code 2009, is amended to read as follows:

535A.6 Action for damages.

1. Any person who has been aggrieved as a result of a violation of sections 535A.1 to 535A.9 may bring an action in the district court of the county in which the violation occurred or in the county where the financial institution involved is located.